

August 11, 2006

Senator Charles Grassley, Chairman Committee on Finance U.S. Senate 219 Dirksen Senate Office Building Washington, DC, 20510

E-mail: <u>mtb2006@finance-rep.senate.gov</u>

REF: Request for Comments on Miscellaneous Tariff Measures (July 11, 2006 Press Release)

Dear Chairman Grassley:

On behalf of the American Apparel and Footwear Association – the national trade association of the apparel and footwear industries, and their suppliers – I am writing to express strong support for the following bills identified in the subject press release.

<u>S</u> 3080, <u>S</u> 3124, <u>S</u> 3198, <u>S</u> 2833, <u>S</u> 2834, <u>S</u> 2835, <u>S</u>2836, <u>S</u> 2837, <u>S</u> 2841, <u>S</u> 2842, <u>S</u> 2843, <u>S</u> 2844, <u>S</u> 2845, <u>S</u>2846, <u>S</u> 2848, <u>S</u> 3124, <u>S</u> 3477, <u>S</u> 3571, <u>S</u> 3572, <u>S</u> 3573, <u>S</u>3574, <u>S</u>3575, <u>S</u>3576, <u>S</u> 3669, <u>S</u> 3670, <u>S</u> 3671, <u>S</u> 3672, <u>S</u> 3673, <u>S</u>3674, <u>S</u> 3735, <u>S</u> 3736 – Duty suspensions with respect to various footwear articles.

**Comment.** AAFA strongly supports these provisions. We are not aware of any domestic production of any of these footwear articles. Moreover, in the few cases where these bills cover the 17 footwear items that the Rubber & Plastics Footwear Manufacturers Association (RPFMA) identify as still being manufactured in the United States, the measures were crafted and refined, with the assistance of RPFMA and domestic industry, to ensure that they do not affect any domestic production of footwear.

<u>S 3123, S 3125, S 3126, S 3127, S. 3393, S. 3394, S. 3396, S. 3397, S. 3400, S. 3401, S.3402, S. 3403, S 3493, S 3494 – Duty suspensions with respect to ski, snowboard and other water-resistant pants (i.e. performance outerwear pants) and bills to remove such pants from any sort of U.S. import quotas.</u>

**Comment.** AAFA strongly supports these provisions. AAFA was involved in the development of these pieces of legislation. There is no domestic production of performance outerwear pants. Therefore, subjecting imports of such pants to duties or quotas provides no benefits to U.S. manufacturers while subjecting U.S. companies and U.S. consumers to additional costs.

## S 3241/S 3242 – Two bills to provide duty suspensions with respect to various backpacks.

**Comment.** AAFA strongly supports these provisions. We are not aware of any domestic production of any of these backpacks.

# <u>S. 1954 – A bill to amend the General Notes of the HTS to give products imported from U.S.</u> insular possessions the same treatment as products imported from FTA countries.

**Comment:** AAFA strongly supports this legislation. We have previously communicated to the Committee our strong support for this measure, and our desire to see this bill included in the miscellaneous tariff bill.

### S. 738/S. 3344 – Bills to provide suspension of duty for certain cotton shirting fabrics.

**Comment**: AAFA strongly supports this legislation. Our association supported an earlier version of this legislation in the 108<sup>th</sup> Congress. This legislation would result in duty elimination for cotton fabrics that are already designated in short supply under various trade preference programs because these fabrics are unavailable in the United States and in the preference countries. Given that finished shirts may enter duty free using these fabrics, we believe it is also appropriate to permit the fabrics themselves to enter duty free. Thus, U.S. domestic manufacturers of shirts will be able to enjoy equal access to those same high quality fabrics that foreign-based manufacturers enjoy.

#### S. 3164 - A bill to extend trade benefits to certain tents imported into the United States.

**Comment.** AAFA strongly supports this provision. This legislation relates to certain camping tents, which are not made in the United States. Moreover, similar but slightly smaller tents, differentiated only by the fact that they are classified as "backpacking" tents, already enjoy duty free treatment. This provision would correct that anomaly.

### S. 3051,3052, 3053, and 3054 - Bills to provide suspension of duty for certain fibers.

**Comment.** AAFA strongly supports these provisions. Each of these fibers is a unique, innovative product, which is not available in the United States. Therefore, subjecting imports of the subject fibers to duties or quotas provides no benefits to U.S. manufacturers while subjecting U.S. companies and U.S. consumers to additional costs.

In addition, we note the inclusion of a number of other provisions relating to various yarns, fabrics and fibers. While we are not taking a position on any of these provisions we would suggest that reduction in duties in those articles is more likely to sustain U.S. jobs by providing U.S. manufacturers access to foreign inputs when those inputs are no longer available in the United States. Moreover, inasmuch as many free trade agreements now contain yarn and/or fiber forward principles, enactment of such provisions may also facilitate proper findings of short supply for those programs, which would also support U.S. jobs dependent on those production-sharing relationships.

Finally, we have not commented on bills that were included in the trade provisions section of the HR 4 – the Pension Protection Act of 2006.

Please contact me should you require additional information on these or other provisions.

Respectfully submitted,

Stephen Lamar

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Senior Vice President



INVISTA Inc. 3 Little Falls 2801 Centerville Rd. Wilmington, DE 19808

July 24, 2006

The Honorable Charles Grassley Chairman, Senate Finance Committee Senate Finance Committee SD-219 U.S. Senate Washington, DC 20510

Re: S. 3053 to temporarily suspend the duty on synthetic elastic staple fiber

Dear Mr. Chairman:

INVISTA is the proponent of S. 3053 and strongly supports suspending the duty on this unique, synthetic elastic staple fiber which is used in apparel. The generic name for the product is "elasterell-p". The product is currently classified under HTS 5503.20.00

INVISTA is one of the world's largest integrated fibers, polymer, and intermediates companies, producing and marketing to the apparel, performance fibers, interiors, intermediates, and resins industries. It is recognized across the globe through its well-known brands and trademarks including: LYCRA®, STAINMASTER®, ANTRON®, and COOLMAX®. INVISTA is a wholly owned, but independently managed, subsidiary of Koch Industries, Inc. We are committed to meeting the needs of our customers through technology innovations.

The subject product is a melt-spun, bicomponent, elastomeric fiber of polyethylene terephthalate and polytrimethylene terephthalate. INVISTA has pending patent applications for this new staple fiber under US 2005-0227069, US 2006-040101, and US 2006-024496. INVISTA was also granted a patent for spun yarn from cotton and this staple fiber under US Patent No. 7,036,299. The product is branded as Lycra®. When it is blended with natural staple fibers (e.g. cotton, wool) or synthetics, it produces a spun yarn which imparts elastic properties in the final use. The fiber uniquely generates permanent stretch and recovery when it self-crimps under dyeing and finishing conditions, due to its bicomponent structure. It exhibits excellent dyeability and chemical resistance. There are no domestic offerings of any elastic staple fiber. Commercialization of this product is a response to U.S. textile mills' demands for innovative, technologically sophisticated offerings. Availability of advanced products such as this is what is needed to sustain the U.S. textile industry. U.S. import duties on this product are considered an unnecessary burden.

We urge Congressional passage of S.3053.

Sincerely,

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